AGENDA REPORT

AGENDA ITEM NO. VII-2

OVERSIGHT BOARD FOR THE CITY OF MAYWOOD AS SUCCESSOR AGENCY OF THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY

DATE:

FEBRUARY 12, 2014

TO:

HONORABLE CHAIR AND MEMBERS OF THE OVERSIGHT BOARD

FROM:

ANDRE DUPRET, PROJECT MANAGER

SUBJECT: REVIEW, APPROVE AND ADOPT RESOLUTION FOR THE

RECOGNIZED OBLIGATION PAYMENT SCHEDULE 14-15A FOR THE

PERIOD JULY 1, 2014 THROUGH DECEMBER 31, 2014

RECOMMENDATION

That the Oversight Board for the City of Maywood ("Oversight Board") as Successor Agency of the Maywood Community Redevelopment Agency ("Successor Agency") approve the attached resolution adopting the Recognized Obligation Payment Schedule for the period July 1, 2014 through December 31, 2014 ("ROPS 14-15A").

FISCAL IMPACT

ROPS 14-15A will pay the Successor Agency's enforceable obligations and administrative expenses incurred from July 1, 2014 through December 31, 2014.

BACKGROUND

On December 29, 2011, in the CRA v. Matosantos case, the Court upheld ABX1 26 and invalidated ABX1 27 thereby eliminating redevelopment agencies and the voluntary option to pay to continue redevelopment. All redevelopment agencies in California were dissolved effective February 1, 2012 with assets, properties, and documents transferred to the successor agencies.

Pursuant to the Dissolution Bills, the Successor Agency must submit a report of its enforceable obligations (aka ROPS 14-15A) for the period July 1, 2014 through December 31, 2014, to the Oversight Board who must officially direct successor Agency staff to transmit the approved ROPS to the State Department of Finance (DOF).

ROPS 14-15A is presented to the Oversight Board for consideration and adoption

Adoption of ROPS 14-15A February 12, 2014 Page 2

DISCUSSION

To ensure that the Successor Agency receives funds from the State of California to pay its FY 2014-15 bond indebtedness and other obligation(s), such as administrative and maintenance costs associated with successor agency dissolution activities, the DOF requires the Successor Agency prepare a ROPS every six months. The ROPS being considered tonight is the sixth consecutive ROPS that has been brought before the Oversight Board for approval.

Before coming to the Oversight Board, the ROPS 14-15A was first sent to the Successor Agency for action which occurred on February 10, 2014. The Successor Agency approved the ROPS and directed Successor Agency staff to transmit the document to the Oversight Board for final action as required by Dissolution Law. Should the Oversight Board approve the ROPS 14-15A today, the document, together with the adopting resolution, will be submitted to the California Department of Finance, the Los Angeles County Auditor-Controller and other agencies as required by the Dissolution Act for final review and action by the March 3, 2014 deadline.

Attachments: 1) Resolution

2) ROPS 14-15A

ATTACHMENT 1

Resolution Approving the Recognized Obligations Payment Schedule (ROPS 14-15A)
For the period July1, 2014 through December 31, 2014

RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD OF THE CITY OF MAYWOOD AS SUCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY ADOPTING THE SIXTH RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE ("ROPS 14-15A") FOR THE PERIOD JULY 1, 2014 THROUGH DECEMBER 31, 2014 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177

WHEREAS, the Maywood Community Redevelopment Agency, Maywood, California ("Agency") was formed for the purpose of revitalizing areas within the City of Maywood pursuant to Health and Safety Code Section 33000, et. seq.; and

WHEREAS, AB X1 26 and AB 1484 ("the Dissolution Bills") dissolved all redevelopment agencies in the State of California; and

WHEREAS, the City of Maywood opted to serve as Successor Agency to the Maywood Community Redevelopment Agency ("Successor Agency"); and

WHEREAS, under the Dissolution Bills, the Successor Agency must submit a Recognized Obligation Payment Schedule ("ROPS") every six months that sets forth all of the Successor Agency's financial obligations over that period; and

WHEREAS, on February 10, 2014 the City as Successor Agency to the Maywood Community Redevelopment Agency reviewed and approved a resolution adopting the Recognized Obligation Payment Schedule for the period of July 1, 2014 through December 31, 2014 (ROPS 14-15A); and

WHEREAS, the Recognized Obligation Payment Schedule for the period July 1, 2014 through December 31, 2014 is due to the California Department of Finance on or before March 3, 2014.

NOW THEREFORE, THE OVERSIGHT BOARD OF THE CITY OF MAYWOOD AS SUCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

SECTION 1. The Oversight Board of the City of Maywood as Successor Agency to the Maywood Community Redevelopment Agency ("Successor Agency") finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

SECTION 2. The ROPS 14-15A for the period July 1, 2014 through December 31, 2014, and attached hereto as Attachment 2, are hereby approved, adopted, and incorporated by reference by the Maywood Oversight Board pursuant to Health & Safety Code Section 34177.

SECTION 3. The Maywood Oversight Board hereto authorizes staff to take all necessary administrative actions to comply with Health & Safety Code Section 34177.

SECTION 4. The Maywood Oversight Board Secretary shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED ON this 12th day of February, 2014.

| | Wesly Miguel Hernandez, Chair Oversight Board of the Successor Agency to the Maywood Community Redevelopment Agency |
|---|--|
| ATTEST: | |
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| Cesar Hernandez Oversight Board Secretary | |
| Board of the Successor Agency to | foregoing resolution was duly adopted by the Oversight the Maywood Community Redevelopment Agency at a February, 2014 by the following vote: |
| AYES: | |
| NAYES: | |
| ABSENT: | |
| ABSTAIN: | |
| | |
| | Cesar Hernandez Oversight Board Secretary |

ATTACHMENT 2

Sixth Recognized Obligations Payment Schedule (ROPS 14-15A) For the period July 1, 2014 through December 31, 2014

4 Jones & Mayer Lisqui Expenses. E Siluccessor Agency Staff Administrative Costs 6 Maintenance & Improvement-CDC Agency-owned properties 8|Oversight Board Legal Counsel Other - Due to City of Maywood Advances from the City of Maywood | City/County Loans On or | Before 8/27/11 2007 Tax Allocation Bonds Bank Trustee Admin Fee Project Name / Debt Obligation Admin Costs Feas City/County Loans On or Before 6/27/11 Admin Costs 7/1/2014 Bonds Issued After 12/31/10 7/1/2014 Bonds Issued On or Before 5/1/2007 12/31/10 Admin Costs Obligation Type 7/1/2014 7MM850 7/1/2014 7/1/2014 51/2013 0 Contract/Agreement Termination Date 12/31/2014 EV14/2014 BY1/2037 12/31/2014 12/31/2014 8/30/2012 Jones & Mayer City of Maywood City of Maywood Wells Fargo Bank Wells Fergo Bank Colambono & Levin To be determined City of Maywood City of Maywood Payer On May 1, 2007 the CDC of the City of Maywood issued \$21,650,000 Tax Allocation Bonds, Series 2007. The bond proceeds were used to refund the Commission's \$8,485,000 Variable Rate Demand Tax Allocation Bonds and certain redevelopment projects within the project areas and to pay bond issuance costs. Arruel bank fusion fee and administration fee for 2007 Bond Reserve Fund held at brustee bank Advances that are payable to the City of Maywood made from loans in previous fiscal years plus interest that has accrused on the outstanding edvances payable for a total of \$4,246,683 as of June \$0, 2012. Funds due to City of Maywood for edministration costs provided by City Staff as of Fiscal Year Ending June 30, 2011, prior to the greation of the Maywood Buccessor Agency Maywood Buccessor Agency Legal Expenses Administrative Costs-Staff stimated fees for Oversight Board legal counsel ses and expenses for dissolution-related activities of CDC-owned properties park site) c. 5515 Maywood Ave, (pocket d. 4801 E. Slauson Ave. (commercial site) a. 6102 District Blvd. (commercial b. 5110 District Blvd. (commercial Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whale Dallars) Description/Project Scape Project Area Total Outstanding Debt or Obligation \$ 22,409,838 17,930,000 Retired Bond Proceeds Non-Redevelopment Property Tax Trust Fund (Non-RPTTF) Reserve Balance Other Funds Funding Source E Non-Admin 882 525 \$ 888,825 41,400 0 Six-Month Total \$ 1,077,525 \$ 888,625 38 915

